transportenergy

BestPractice

Make back-loading work for you

Department for Transport

Freight

Foreword

This guide is part of a series of publications produced for the Department for Transport under the TransportEnergy BestPractice programme.

TransportEnergy BestPractice provides a wide range of free information to help you improve the safety of your driving and the efficiency of your operations. Guides, case studies and videos are available on topics such as fuel management, aerodynamics and telematics. A full list of the publications available can be obtained from either the helpline on **0845 602 1425** or by visiting the website **www.freightbestpractice.org.uk**

The aim of this guide is to:

- introduce back-loading and how it works
- highlight the potential benefits of back-loading to your business
- outline ways of obtaining back-loads

It also provides a checklist of questions you need to ask when considering back-loading as an option for your business and details of organisations that can provide you with further information.

Contents

1 Introduction

Fuel represents a significant proportion of total vehicle operating costs (at around 30%) and therefore even small percentage reductions in fuel use can produce large savings. There are two main ways of cutting fuel costs: by reducing fuel consumption (getting more miles to the gallon) and maximising vehicle use (doing fewer miles to do the same job).

Making the best use of a vehicle has the potential to reduce your costs much more significantly than by reducing fuel consumption alone. Increasing miles per gallon will save a percentage of the fuel cost of all journeys, but reducing the mileage that is done to carry out a job will save 100% of the fuel and operating costs for those avoided miles.

Making best use of the available load space in every vehicle trip can help to reduce the mileage covered per job. It can be achieved through a variety of means including back-loading, consolidating loads, load stacking, and the use of multiple-decked vehicles.

This guide covers back-loading best practice, and outlines how you can save money by making the best use of your resources: fuel, vehicles and drivers. It provides practical advice to help integrate and increase back-loading within your business in order to improve profitability and operational efficiency, and reduce empty or light running.

1.1 What is back-loading?

Back-loading is the practice of making use of spare capacity on the return leg of a delivery journey. It makes more efficient use of valuable resources such as fuel and driver time by finding loads that need to be shipped between similar areas as those visited by the returning vehicle.

Collecting additional loads for the empty or partially loaded return journey of an outbound delivery can:

- improve fuel efficiency
- increase vehicle and driver utilisation
- remove the need for an additional vehicle journey

1.2 Who should read this guide?

This guide has been developed specifically for smaller and medium-sized operators. It is relevant to both the hire/reward and the own account sectors. However, if you are an own account operator you will have to have a national standard operating licence to carry other people's loads (see section 3.4 for more details). The guide will also be of use to a wide range of people in the transport and logistics sector including:

- owner operators
- operations managers
- transport/logistics managers
- transport/logistics planners
- purchasing managers
- consignors

Overcoming poor experience in the past

As an operator, you may be reluctant to take on back-loads because of poor experiences in the past. This is understandable, but it does not mean that you should not try again. The aim of the guide is to prevent problems arising by providing straightforward, practical advice. Sections 5 and 6 of the guide will help you to avoid potential pitfalls as they set out the main issues to consider before accepting a back-load.

1.3 The structure of this guide

This guide is structured in the following way:

- Section 2 outlines the benefits to your operation of introducing best practice in back-loading
- Section 3 contains information about the basics of back-loading, including typical examples, how it is done, what kind of organisations benefit from back-loads and how this practice can help to overcome industry pressures
- Section 4 provides an overview of available services, systems and mechanisms for obtaining back-loads. For example, it covers return load specialists, load matching services, freight forwarders, partnerships and supply chain initiatives
- Section 5 provides information on overcoming constraints and barriers to back-loading. It outlines various typical scenarios and suggests possible solutions
- Section 6 outlines an approach to help you to decide whether back-loading is right for your business. It outlines four key issues to consider before accepting a back-load and provides useful key performance indicators for determining spare vehicle capacity, an operational checklist, good practice for working with customers and a guide to calculating the value of a back-load
- Section 7 contains example services and systems that can be easily adapted to suit individual needs

2 The benefits of back-loading

Reducing the numbers of partially laden vehicles through back-loading has a variety of operational and commercial benefits including:

- improved operational efficiency due to higher vehicle and driver utilisation
- environmental benefits through reduced carbon dioxide emissions and road congestion

The benefits of back-loading will depend on whose goods are being transported.

If you carry your own loads on return journeys, utilising your vehicles spare capacity instead of sending out an additional vehicle, can result in:

- cost savings through reduced fuel and other operating costs
- increased fleet capacity (vehicles are available for alternative jobs), or a reduction in fleet size

If you pick up other people's goods on the empty or partially loaded return trip of an outbound delivery, the benefits can include:

- increased revenue on existing routes from additional work
- access to a wider customer base and future haulage work
- better use of information and greater collaboration between operators and suppliers

2.1 Why is back-loading an important issue?

The highly competitive nature of the road distribution market gives you a strong incentive to eliminate wasteful journeys, minimise costs and satisfy customers.

Back-loading is an operational tool that could help to reduce inefficiencies within the road distribution industry. Better vehicle utilisation could save the freight industry millions of pounds by reducing fuel use and making more efficient use of drivers and vehicles.

There is substantial scope for improving levels of vehicle utilisation. For example, UK transport statistics show the percentage of empty running of lorries in 2003 was 26.5%[1]. Empty or partially loaded vehicles not only waste money, they also add to noise and air pollution, congestion, health problems and accident risks.

The incidence of light running (i.e. vehicles that are not loaded to their full capacity) is greater still. Benchmarking surveys[2] undertaken for the TransportEnergy BestPractice programme found that:

- average volume utilisation for vehicles stood at 51% for non-food retail distribution and 52% for the food supply chain
- the weight utilisation for vehicles averaged at 54% for non-food retail distribution and 53% for the food supply chain
- loads for return legs were not always planned in advance and better scheduling could improve overall efficiency

However, the level of empty running in the UK has fallen over the last 30 years as a result of the distribution industry's desire to save money by improving vehicle utilisation. If empty running had remained at the 1973 level of around 33%, annual road haulage costs would be £1.3 billion higher than they are today[3].

The decline in empty running has been attributed to a number of changes within the road distribution market, including:

- outsourcing of road haulage operations
- greater balance of inter-regional flows
- increase in average length of haul
- change in trip structure (more multiple collections and drops)
- growth in reverse logistics (return flow of re-usable packaging, packaging waste and handling equipment)
- new management initiatives (supplier collection, factory gate pricing and network systems)

These changes have encouraged the use of back-loading by increasing the opportunities available for carriers to find return loads.

[1] 'Transport of goods by road in Great Britain: 2003.' Table 7. Department for Transport, 2004.

[2] See 'Key performance indicators for non-food retail distribution' and 'Key performance indicators for the food supply chain'; both are available free from the helpline on **0845 602 1425**.

[3] Professor A.C. McKinnon (Logistics Research Centre, Heriot-Watt University). 'Eliminating those empty miles.' Presentation to Motor Transport Tolling and Telematics Conference, 13 November 2003.

3 The basics of back-loading

3.1 How does it work?

Back-loading helps to utilise spare capacity by collecting and delivering goods or products on empty or partially loaded return journeys of outbound deliveries.

This is achieved by finding loads that need to be moved between similar areas as the two points planned for the returning vehicle. These loads could be returns of your own goods or products from your customer or a third party. What matters is that unproductive journeys are minimised and income is maximised.

Back-loads are mainly generated in two ways:

- **Internal back-loads.** These involve collecting and moving your own goods or products on the return leg of a delivery. These are loads that need to be moved as a part of the core activities of your business. Another vehicle would otherwise be required if the goods were not carried on a returning vehicle. This may include return of surplus stock, the movement of re-usable packaging[4] or picking up products from your own suppliers
- **External back-loads.** These involve carrying the freight of a third party on the returning vehicle of an outbound trip. The spare capacity of the returning vehicle is used to offer a haulage service. As such, the return journey will generate additional income. This may include owner operators carrying products for their customers or hauliers finding a load from a shipper near to the location of the outbound delivery. Table 1 gives some example back-loading scenarios

If you are an own account operator with a restricted operator's licence, you will have to upgrade to a national standard operating licence to allow third party haulage. See section 3.4 for more details.

3.2 How is it done?

Traditionally, an operator wishing to locate an external load for the return leg of a delivery would contact known suppliers or shippers. Today, the options for picking up back-loads can vary from contacting a return load specialist to identifying a website for matching loads, forming a partnership or joining a supply chain initiative.

This diversity in mechanisms for obtaining back-loads offers a wide variety of opportunities. Back-loading can be obtained on a spot or short-term delivery basis, as well as being integrated into longer-term operational planning.

Section 4 provides an overview of available services, systems and mechanisms for obtaining back-loads.

3.3 Who can and should pick up back-loads?

Almost any freight operation that has spare capacity on the return leg of an outward delivery can pick up back-loads. Back-loading is not restricted by operational size and is undertaken by both small and large companies.

However, some types of operation have more flexibility to pick up back-loads. For example, it makes little difference what the product is if roll cages are used for deliveries on both the outbound and return journeys. In some cases, however, special requirements for the goods being delivered on the outbound journey will restrict opportunities for picking up other loads. For example, transporting refrigerated foods, petroleum products and hazardous materials will normally restrict opportunities.

Table 1 Example of back-loading scenarios

Outbound delivery	Back-load	Generated load
A vehicle leaves its regional depot with products for a number of its retail outlets.	On the return trip to the regional depot, the vehicle carries returns of faulty goods from the retail stores.	Internal
A manufacturer of processed food carries products from its factory to a supermarket.	The manufacturer's vehicle re-routes after the supermarket delivery to pick up flavourings from a local supplier for its product.	Internal
A haulier is contracted by a supplier to carry components to a customer's factory.	The haulier picks up finished products while at the factory and delivers them to the warehouse on the return trip.	External
An own account operator (with a standard operating licence) delivers its own electronic components to a manufacturer's regional distribution centre (RDC).	At the RDC, the own account operator collects the manufacturer's products and, on the return trip, delivers them to one of the manufacturer's clients.	External
A computer company delivers an order for its monitors to a customer's office.	On the return trip, the company picks up a haulage load from a nearby furniture factory for delivery to an interior design store.	External

[4] For practical advice on the use of dedicated re-usable packaging, see GG482 'Cutting costs and waste by optimising packaging use' from Envirowise. To obtain a copy and find out more about the free services and publications available from Envirowise, call the **Environment and Energy Helpline** on **0800 585794** or visit the website (**www.envirowise.gov.uk**).

Small and medium-sized haulage operations tend to have a more limited geographical coverage and may therefore have fewer opportunities for networking. However, some of the newer mechanisms for back-loading (see section 4) offer considerable scope for increasing back-loading. Own account operators (with a standard operating licence), in particular, could make much greater use of back-loading - perhaps by collecting goods purchased from their own suppliers on return legs of delivery trips, and so either saving on delivery charges or avoiding having to make a special trip to pick up the goods.

Picking up back-loads can bring cost benefits, but you should not rush into accepting a load until you know it is a viable option. When deciding whether it is worthwhile to pick up a back-load, it is important to consider:

- operational requirements, e.g. planning and communications due to time constraints (see section 5)
- commercial requirements, e.g. costs, customer service and contractual issues (see section 6)

3.4 Licensing issues

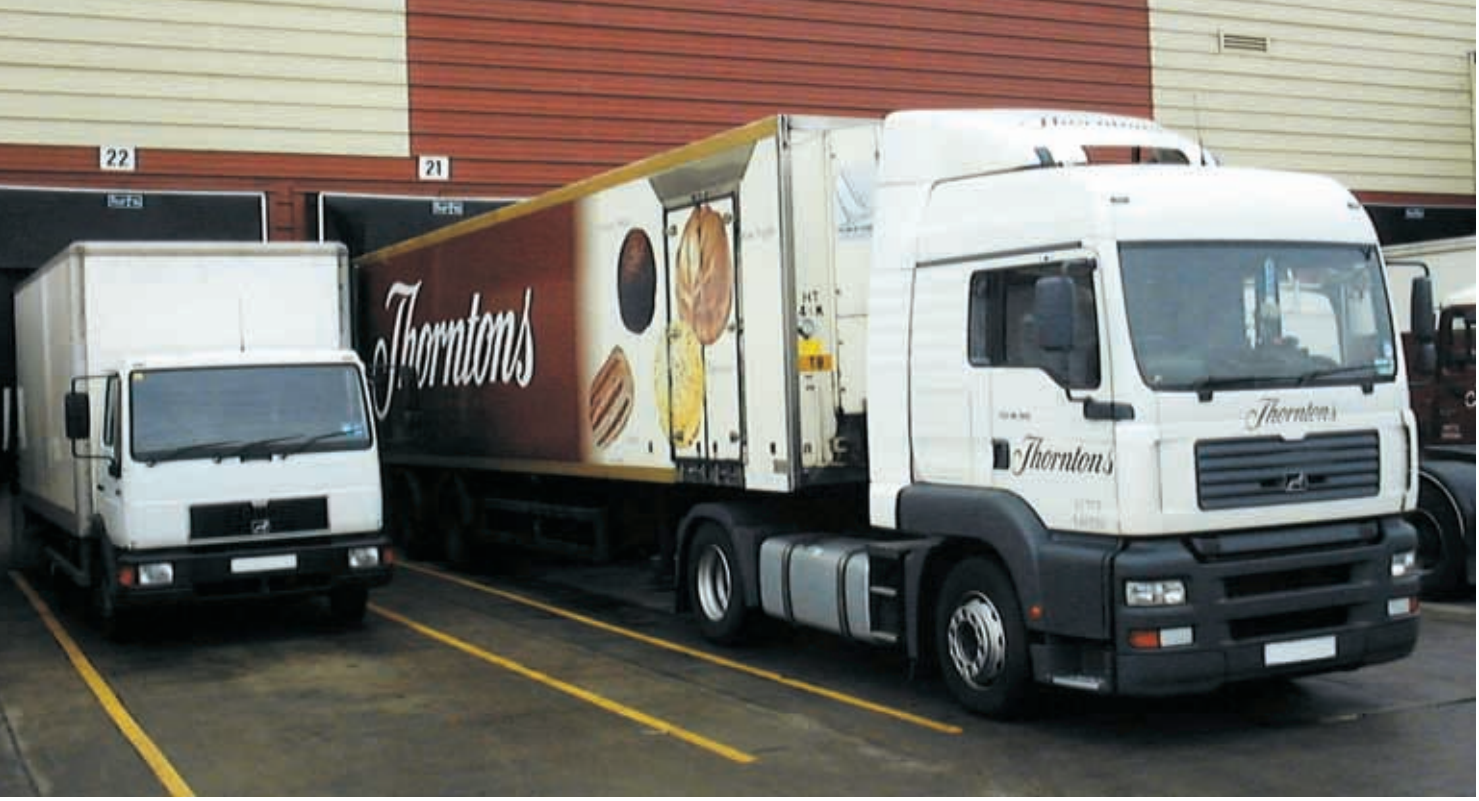
A national standard operating licence is required for back-loading

A restricted operator's licence allows only the carriage of own account goods. These are goods owned by the vehicle operator and include those that have been sold, let out on hire or hired, produced, processed or repaired by the undertaking as an ancillary part of its activities (i.e. transport is not its main activity). A restricted licence also allows the carriage of goods for a subsidiary, fellow subsidiary or holding company.

Transport of another person's or organisation's goods for hire or reward requires a standard operator's licence for operations within the UK and a standard international licence if you wish to operate for hire or reward outside the UK.

Carrying goods for other people for hire or reward without the correct licence could result in a fine and the loss of your operator's licence.

For information about operating licences, contact your local Traffic Area Office or see 'Goods vehicles operator licensing: guide for operators' (GV74) published by the Vehicle and Operator Services Agency (VOSA). This free manual can be downloaded from the website (www.vosa.gov.uk).



3.5 Who picks up back-loads?

Three main categories of organisations are involved in, and benefit from, back-loading:

- those with vehicle space to fill - typically hauliers and own account operators (with a standard operating licence)
- those with goods to move - typically freight forwarders and shippers
- logistics companies responsible for both these activities

As more ways of locating back-loads are developed, more hauliers and own account operators are taking advantage of the benefits. Back-loading is undertaken across a wide selection of sectors and diverse companies. Sectors include general haulage, agriculture, and food distribution.

A major supermarket developed a supplier collection scheme where a returning shop delivery vehicle collects goods from a supplier's premises and delivers the load to the distribution centre. Vehicle fill increased by 26.5% over a five-year period. This reduced the average annual distance travelled per vehicle by 19.9% and cut fuel expenditure by £750,000 per year.

Framptons Transport Services Ltd is a medium-sized haulier from Shepton Mallet. The company uses a load matching service, Teleroute5, to search for back-loads and then builds and consolidates loads for groupage deliveries while advertising its empty vehicles.

Backload UK[5] launched a new service in 2004 to improve the efficiency and cost of livestock haulage. The service matches hauliers and livestock loads to and from farms, helping to cut the number of empty return trips.

Confectionery company benefits from back-loads for a third party

Thorntons plc is a major UK manufacturer and retailer of quality chocolates and confectionery. As predominantly an own account operator (with a standard operating licence), the vast majority of Thorntons' distribution activity involves daytime store delivery of company produce. However, Thorntons has developed an innovative way to maximise vehicle use and make best use of its assets. Four articulated vehicles carry out night-time trunking activity five nights a week from Scunthorpe to Avonmouth on behalf of a third party.

Although overall fleet mileage has increased as third party trunking has developed, this activity provides a useful revenue stream, off-setting some 17% of its own account distribution costs.

For more information, please see TransportEnergy BestPractice publication: 'Proactive driver performance management keeps fuel efficiency on track'[6]. NB Since this publication was produced, Thorntons still attempts to fill capacity although the trunking work has had to stop because the customer's method of operation has changed.

3.6 Key industry pressures

As pressure increases on the transport industry, operators need to look at different ways of doing business to reduce operating costs, increase efficiency and maintain profitability. Adopting back-loading practices is one way of overcoming these pressures and ensuring an efficient and profitable operation.

[5] See section 7 for contact details.

[6] For free copies contact the helpline on 0845 602 1425 or visit the website at www.freightbestpractice.org.uk

- **The working time directive and the implications for drivers' hours.** The limitations on drivers' hours makes it all the more important to reduce empty running. You can maximise your drivers' time by ensuring that they are driving fully loaded vehicles, rather than wasting money by driving empty ones. Collecting a load on a return trip can also save driver time by avoiding the need for some trips altogether

- **Vehicle availability.** Vehicles are valuable commodities, so you should not have excessive and/or under-utilised vehicles in your fleet. However, customer loads cannot be delivered if vehicle availability is limited due to demand or maintenance. Back-loading helps to sustain efficient and workable fleet sizes by maximising the use of existing vehicles. Using the spare capacity of returning vehicles to collect loads can free up vehicles for alternative deliveries

- **Running and standing costs.** Labour, vehicle purchase/lease, maintenance and fuel costs are constantly rising. Back-loading helps you to optimise your operation by:

  – maximising vehicle and driver use

  – reducing fleet mileage and fuel consumption

  – increasing revenue

- **Fuel tax and vehicle excise duty.** Back-loading can reduce the impact of these operational costs by increasing revenues on existing journeys. Improving efficiency and using less fuel leads to a saving that can go straight to your 'bottom line', unlike a tax cut which could lead customers to expect to pay less for the delivery, and from which competitor companies would also benefit

- **Partnerships and improved communication.** Back-loading encourages collaboration and exchange of information between operators and suppliers. There is considerable scope for improving operational efficiency if consignors of goods understand the best ways of approaching carriers to move products for them

4 How to obtain back-loads

The current road transport market offers you a wide variety of mechanisms to find back-loads for empty or partially laden return journeys:

- for a fee, numerous service providers can match appropriate loads to the return journey of your vehicle
- operators can maximise the utilisation of returning vehicles by developing or becoming part of a business partnership that shares knowledge of load and vehicle locations, thus enabling them to be matched

This section provides an overview of available services, systems and mechanisms for obtaining back-loads. It looks at:

- return load specialists
- load matching services
- freight forwarders
- partnerships
- reverse logistics
- pallet networks
- supply chain initiatives
- sub-contracting

The mechanism used to obtain back-loads could provide you with a short-term way of solving empty running. Alternatively, a long-term plan may be more appropriate to ensure consistently high levels of vehicle utilisation. You may wish to use a simple option or spend time integrating a more detailed system into your operation. Indeed, you may even decide to sub-contract the original journey and therefore remove the need to find a back-load.

It is essential to choose a mechanism for finding a back-load that suits your business and operational needs.

4.1 Return load specialists

Return load specialists are typically operators that manage part of their workload by offering loads to particular areas of the country on a sub-contract basis. If your vehicle is empty in a particular region when away from its operating base, you can contact a return load specialist to obtain a back-load for the vehicle.

You can obtain loads through:

- direct contact with operators in the region required
- looking in the trade press for advertisements from organisations offering this service

Use of a return load specialist is an effective way of covering empty mileage, and is well established and can lead to long-term relationships and contracts.

However, it is important you ensure that:

- carrying the load does not adversely affect your regular business
- the resources allocated to the process are not excessive in proportion to the revenue and other benefits

4.2 Load matching services

These organisations, also known as 'clearing houses', aim to match loads with available vehicles. Originally, clearing houses used the telephone to match spare capacity with loads in return for a commission. In recent years, the growth in e-business (online, web-based business) has made this service more effective and widespread.

There are two types of load matching services:

- **Online freight exchanges.** These systems provide a platform that allows carriers to communicate freight traffic information to fellow operators such as transporters, forwarders and logistic companies. They allow forwarders to advertise their freight either privately or publicly to a large number of freight operators that are looking for loads. They also allow freight operators to offer vehicle space. Online systems are normally subscription-based with a small charge for advertising and searching
- **Auction-based trade exchanges.** These offer businesses the opportunity to declare their shipping requirements over the Internet and obtain tenders from prospective carriers. The exchanges focus part of their attention on the provider and aim to offer best possible price to get goods moved through a 'reverse auction' where bidders (the carriers) push the price down

Load matching services have a number of benefits:

- an operator can save considerable time and resources in finding back-loads
- communication costs and complexity are reduced because operators no longer need to ring round or send faxes to find appropriate partners or sub-contracts
- there is a wider pool of contacts as many businesses are linked through the Internet
- businesses can continue working with preferred partners for contracted freight as well as accessing a wider network of operators to fulfil short-term needs, make new contacts and acquire business opportunities
- the online exchanges can provide credit references for potential shippers, thus reducing the financial risks associated with picking up loads

- administration costs and time spent confirming arrangements can be reduced as some systems provide all transaction and company contact details automatically

To use such services you need to have access to the Internet. You also need to ensure that:

- the information you receive is both accurate and reliable
- shippers and contractors are consistent and reliable

Market developments may see auction-based exchanges underwriting transactions and thus protecting the carrier against default on payment.

Most systems remove loads automatically once an electronic deal is made, so there is no danger of an operator arriving to pick up a back-load and finding that someone else has also made a deal with the company and picked up the load. However, you should check that the exchange you use operates in this way.

See section 7 for details of example services and systems.

4.3 Freight forwarders

Freight forwarders are primarily concerned with arranging all aspects of the movement of freight, including logistics, warehousing, customs and bonding activities. Forwarders are often not the physical carrier of the goods and can be a lucrative source of back-loading, as they may offer the logistics function to hire and reward operators on a sub-contract basis.

Use of a freight forwarder can result in the same kind of resource savings as a load matching service (see above). In addition, they can be an effective source of contacts in the industry for future traffic flows.

However, it is essential to ensure that the information you receive from the forwarder is correct. It is also important to check the reputability of the forwarder as they will be paying you, not the supplier of the load. To obtain contact details for freight forwarders or to check reputability contact one of the following associations[7]:

- British International Freight Association (BIFA)
- International Federation of Freight Forwarders Associations (FIATA)

4.4 Partnerships

Two or more operators from different regions can improve their empty mileage rate by working together to co-ordinate traffic flows. This type of partnership tends to be more formal than using a return load specialist.

Establishing a co-ordinated partnership offers more structure to obtaining back-loads. The business can then be designed around the greater knowledge of traffic flows. However, it is important to define the nature of the arrangement between the two operators. Make sure you work with someone you trust and consider drawing up a contract.

[7] See section 7 for contact details.

Back-loads increase partnership's operational efficiency

Wisbech Roadways is a partnership consortium of three relatively small, long-established, East Anglian hauliers (Garn Transport Ltd, Jack Richards & Son Ltd and Knowles Transport Ltd). The partnership was formed in 1998 for the sole purpose of bidding for a contract with HL Foods Ltd (now part of Premier Foods plc) to distribute palletised canned food from East Anglia across the UK.

The regularity of jobs under the contract allows the consortium members to source well-located, compatible and profitable back-loads. The identification of back-loads is targeted and effective. This is mainly due to the consortium's knowledge of the delivery points and outward journeys.

Back-loading sits comfortably with outbound distribution, and the transport operation has the flexibility to accommodate higher utilisation. The average trip length made for Premier Foods is 350 miles, of which 50 miles are relocation mileage for back-loading. Because back-loads are not sought within a 50-mile radius of Wisbech, 5% of vehicles return empty. This means that 95% of vehicle movements are loaded for 85% of trip miles run.

For more information about the operation of the consortium, see the TransportEnergy BestPractice publication 'Profit through partnership' which is available free from the helpline on **0845 602 1425**.

4.5 Reverse logistics

Companies sometimes look to a logistics company to help with complete packages for providing an integrated transportation and supply chain management system. Reverse logistics refers to product recovery options, for example, when imperfect stock is returned to the manufacturer. Often there is a need to move re-usable packaging, waste or stock from the point of consumption to the point of origin. An increasingly common example in wholesale and retail distribution is the return of plastic trays used in the fresh food industry from a supermarket's regional distribution centres (RDC) to the packers or growers for re-use or recycling.

As retailers begin to centralise their waste management, many return legs are needed to move used packaging, handling units and returned items. This traffic flow can provide additional revenue to operators by providing a back-load.

However, this traffic is difficult to obtain and is frequently only compatible if the vehicle is unloading and loading at exactly the same location. Carrying handling equipment and packaging will limit vehicle capacity and could therefore restrict the collection of loads with higher 'back-haul' rates.

A less obvious potential problem for the unsuspecting carrier is the ownership of returned goods. These are being returned to the manufacturer, distributor or retailer because the intended new owner did not want them or found them to be defective. However, the original supplier may not want them because they represent a liability and a potential embarrassment. Deliveries may be refused as companies decline to issue credit notes or seek to enforce customer agreements that do not allow returns. It is therefore prudent for you to check beforehand that both parties are happy with the arrangement and that the original supplier will accept the returned goods.

4.6 Pallet networks

The growth of the pallet network sector is, in part, a response to market pressures to improve vehicle efficiency. It allows users to benefit from a degree of consolidation and a pooling of resources around the UK. Such networks mirror the express parcel networks based around a central hub.

The main feature of a pallet network is the hub through which all pallets are moved and transhipped. Members of the network operate in a designated geographical region or area. A pallet network allows members to collect:

- another member's loads from the hub and deliver them in their designated area
- loads from their region and relocate them to the hub for onward delivery to the geographical areas of the other members

Member companies tend to join and participate in a network in order to obtain extra throughput and to improve their vehicle utilisation and efficiency. Belonging to a network has the following benefits for its members:

- The network provides a cost-effective route for deliveries of their own consignments through other network members
- Other network members generate delivery work for them that they would not otherwise obtain. This improves fleet utilisation

Pallet networks offer a range of services to customers. Because members have to meet these requirements, service can often take precedence over absolute efficiency and vehicle utilisation. However, by belonging to a network, members can improve their own utilisation in ways they might not otherwise achieve.

Benefits stack up

An in-depth survey of 17 pallet network fleets was carried out on behalf of the TransportEnergy BestPractice programme over a 48-hour period in 2004. Each member company provided data on its individual collection and delivery fleets, and on trunking activity. The 183 vehicles monitored were all members of Pall-Ex, Palletline or The Pallet Network[8].

Key performance indicators recorded included:

- percentage of vehicle fill (by both weight, volume (cube) and pallets carried and deck length)
- amount of empty running (measured as a percentage of total legs and by kilometres)
- reasons for deviations from schedule (e.g. congestion or delivery delays)
- hourly audit of vehicle utilisation (to show peaks and troughs in demand)
- fuel efficiency (by recording miles per gallon together with the work being carried out)

For trunks to and from the hubs, measurement of vehicle utilisation by weight showed that the pallet sector is achieving an impressive average of 72.8% vehicle fill. This is considerably higher than the average figures in the food (53%) and non-food (54%) retail sectors[9].

For more information and the full survey results, see 'Key performance indicators for the pallet sector' which is available free from the helpline on **0845 602 1425**.

4.7 Supply chain initiatives

When an individual company tries to increase its vehicle utilisation, it is often constrained by the activities of its suppliers, distributors and customers. Large gains in operating and energy efficiency may demand the co-ordination of the logistics operations of companies at different levels in the supply chain.

Supply chain initiatives allow primary and secondary distribution to be integrated into a 'network system'. This is achieved by forming closer relationships between suppliers and distributors. For example, joint initiatives to rationalise transport operations may involve suppliers collecting loads from RDCs after making their deliveries. Supply chain initiatives require long term planning, to integrate logistical operations and to overcome variances in working practices.

[8] See section 7 for contact details of these networks.

[9] See 'Key performance indicators for non-food retail distribution' and 'Key performance indicators for the food supply chain'; both are available free from the helpline on **0845 602 1425**.

Supply chain initiatives may include the introduction of factory gate pricing (FGP). FGP involves the collection of inbound merchandise from suppliers, with customers requesting a price for the goods excluding the cost of the transport. This closer co-ordination of outbound and inbound movements improves the environment for back-loading.

Developing closer relationships with customers and suppliers through such initiatives can improve information sharing and knowledge of loads and deliveries. This can provide own account operators and hauliers with opportunities to locate available and appropriate loads.

The potential efficiency gains can lead to improved vehicle fill, reduced average vehicle distance travelled and reduced fuel use.

In the past, a number of factors have inhibited such co-operation, including:

- mistrust between partners
- absence of an organisational framework to jointly review operations
- lack of consistent data on transport efficiency

These factors can be overcome through working together in a supply chain initiative. However, it is also important that needs are known and accommodated in advance to enable optimum vehicle utilisation through efficient scheduling (particularly with the increasing trend towards FGP).

Many supermarket chains have developed major return loading programmes through supply chain initiatives. For example, one UK supermarket chain now collects 30% of its supplies through back-loads from wholesale suppliers.

4.8 Sub-contracting

So far the guide has stressed the value of back-loads in utilising spare capacity on the return leg of a journey. In some cases, however, it may be better not to make the outbound delivery in the first place if you have to run back empty. This could be particularly true for own account operators that currently deliver their own products to a customer.

If certain deliveries regularly result in empty return journeys, ask yourself whether it is worthwhile carrying that load. It might be more cost-effective to sub-contract the original load to a haulier rather than trying to find a back-load.

The best way of deciding whether to sub-contract the original load to a haulier is to compare the average cost per unit delivered for each option (i.e. deliver it yourself or use a sub-contractor). This involves calculating your own cost per unit price and contacting hauliers to obtain their cost per unit delivered. See section 6.2 for more details.

Average cost per unit delivered is one of the key performance indicators (KPIs) featured in TransportEnergy's 'Small fleet performance management tool'. This easy-to-use Microsoft® Excel® spreadsheet and accompanying guide make it easy for you to calculate the average cost per unit delivered. Obtain your free copy by calling the helpline on **0845 602 1425** or by visiting **www.freightbestpractice.org.uk**

Section 6 of this guide provides further advice and an example of how to calculate whether picking up a back-load is cost-effective for your operation.

5 Overcoming constraints and barriers to back-loading

The use of back-loading continues to grow as companies change their operational practices to make efficiency gains and reduce costs. For certain operations and outbound deliveries, however, picking up a load on a return journey is difficult. Some operators are also reluctant to integrate back-loading into their operations for a variety of reasons. Table 2 summarises operational constraints, why these may pose barriers to back-loading and possible solutions.

Table 2 Summary of operational constraints and associated barriers and solutions

Operational constraint	Reasons why constraint is a barrier to back-loading	Possible solutions
Restrictions arising from customers wishing to carry goods in liveried vehicles	Many companies that outsource their logistics request dedicated services (vehicles bearing their livery and only carrying their products). Potential customers may be concerned about goods being carried by competitors' vehicles.	There is increasing evidence that contractors are being allowed to transport another company's goods and of own account operators (with a standard operating licence) picking up another company's loads. A shipper or customer is less likely to be concerned if they can save money and the goods arrive on time. As the manager of a large food manufacturer said: "I would be happy to see my goods delivered in trucks branded by a competitor if it saved me £1 million and they arrived on time."
Priority given to outbound delivery service	Risk of the vehicle picking up a back-load not returning on time and thus failing to meet the requirements of an outbound customer (a reputation for delivering on time is often seen as an important marketing advantage).	A back-load should only be accepted if it fits existing operations. Flexibility within the fleet can help to maintain performance. This may mean allowing some vehicles to return empty or partially loaded while taking advantage of others that are not 100% utilised. Knowing where your vehicles are and whether they are running to schedule should help you to mitigate problems. Back-loads must be taken seriously as you have entered into a contractual agreement with a customer.
Transport capacity	There may be no spare vehicle capacity to pick up back-loads. Fleets with barely adequate capacity to meet outbound deliveries will have even less resources available to pick up return loads. The problem is accentuated by: > inflexibility of a supplier insisting on times inconvenient to back-loading > over-zealous self-imposed restraints, e.g. over-generous time allowed for returning vehicle > delays during delivery, e.g. congestion on the road network	There are a number of ways of overcoming the restraints imposed by capacity issues: > develop efficient booking-in systems to spread loading and unloading of vehicles throughout the day > take advantage of seasonal fluctuations and undertake more back-loading in quiet periods > improve communication between vehicles and the operations centre Back-loading can improve fleet flexibility. For example, you can unload products that have come in on your own vehicles during slack periods. However, using trailers as long term storage will reduce fleet flexibility and utilisation. Back-loading a supplier's goods can relieve them of the need to make the delivery to their customer's premises.
Unreliability of collection and delivery operations	Risk of potential delays at loading and off-loading points for back-load (e.g. drivers may have to queue, orders may not be ready or invoices could be lost). Such concerns can lead to further exaggerated restrictions on driver hours and tight scheduling of outbound deliveries.	Vehicle tracking and dynamic re-routing systems can provide effective tools to allow operators to foresee potential problems and to take appropriate action.
Inadequate knowledge of available loads	You may not know how to find appropriate back-loads that match the origin and destination of the return trip. Back-loads may be available but do not match the route of the return journey, adding unacceptable time and mileage to the journey.	Numerous services are available to locate back-loads (see section 4 and section 7).
Lack of co-ordination between purchasing and transport/logistics departments	Separate management of the sourcing of supplies and the distribution of finished product increases the likelihood that inbound and outbound movements are not co-ordinated. This may lead to missed opportunities for back-loading.	Improve integration between departments. Examine inward and outward movements to identify duplicate transport movements and to provide higher delivery standards.
Incompatibility of vehicles and products	Existing vehicle sizes or body types may not be appropriate for potential back-loads. Return items or back-load materials have to be removed every time a delivery is made. Consignment requires particularly specialised vehicles (e.g. in the chemical, fertiliser, cement and paper industries). Risk of cross-contamination of products.	Plan both original vehicle specifications** and in-service allocation. Close monitoring and planning of both fleet and deliveries will help to allocate vehicles compatible with products for both the outbound delivery and back-load.

** Please see the TransportEnergy BestPractice publication 'Truck specification for best operational efficiency', which is available free from the helpline on **0845 602 1425** or by visiting **www.freightbestpractice.org.uk**

Table 2 Summary of operational constraints and associated barriers and solutions (continued)

Operational constraint	Reasons why constraint is a barrier to back-loading	Possible solutions
Need to recover handling equipment/packaging	This limits the back-loading capacity of the vehicle.	Capacity can be increased by: > compacting and baling packaging materials at the point of collection > using collapsible containers
Limited or poor information provided for the delivery	Inadequate information on a back-load can lead to confusion, delays and, in extreme circumstances, non-payment because loads are not collected or delivered to the customer's satisfaction.	It is important to receive written confirmation containing all essential information before taking on the work in case of any problems. This should include: > customers, order or delivery code and what the load is > correct times, dates and locations > contact details including out-of-hour telephone numbers > insurance and claims information > waiting times and rates > conditions of carriage > cancellation rates

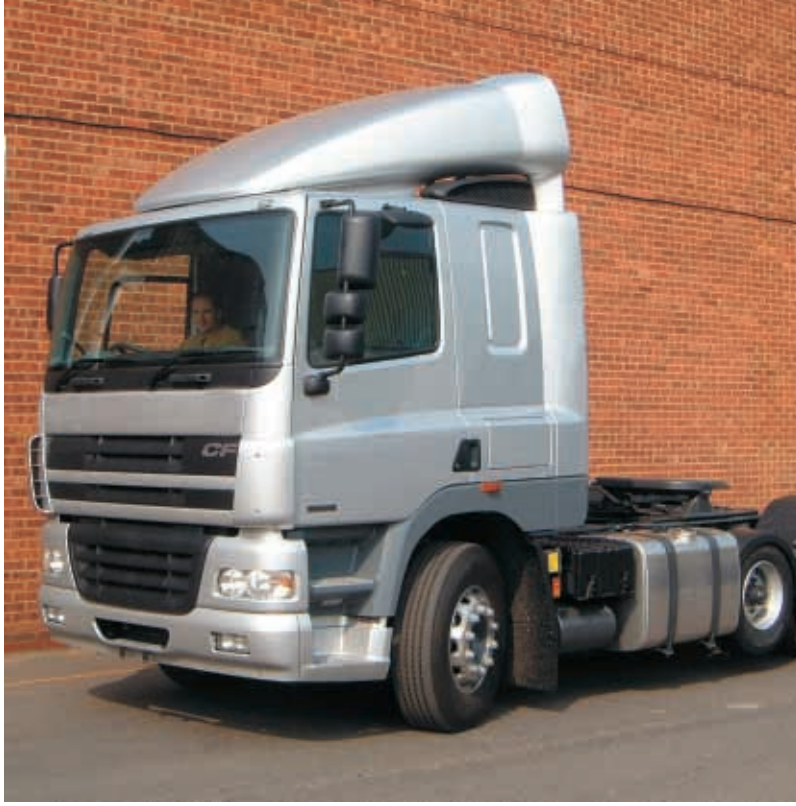
6 Is back-loading right for your business?

Whether to undertake a back-load depends on the operational and commercial viability for your business. You should not accept every offer of a back-load. In some cases back-load rates may be too low or the route deviation required may be too large and restrict core operations.

There are four key issues that must be considered before a back-load is accepted. They are:

- operational planning and communication issues
- cost issues and cost-effectiveness
- customer service issues
- contractual issues

The following section 6.1 highlights the issues you should consider before accepting or declining a back-load. They will help you to answer questions you may have and provide advice and support on each issue.



6.1 Planning and communication

It is essential that you are able to integrate back-loads into the main operations of your delivery fleet while improving efficiency and reducing delivery costs. The better you understand your operations, the easier it is to integrate new mechanisms such as back-loading. Improved communication within the fleet, with customers, other departments and transport operators, will aid this integration and maximise the benefits of back-loading.

Planning issues

Effective planning and management are vital for successful and efficient transport and logistical operations. By developing a better understanding of your operations, you can run your business better. This knowledge will allow you to determine if back-loads can and should be integrated into your procedures.

An efficient operation is a cost-effective one. The success of any business depends on ensuring that it is organised so that it makes effective use of its resources while achieving the required levels of customer service. A business cannot stand still and, as circumstances change, so must the way in which the business operates.

Measuring the efficiency of your fleet will help you to determine whether there is spare vehicle capacity. Back-loading is a prime tool to capitalise on available capacity.

However, regardless of your level of spare capacity you need to be prepared for unplanned variations or delays. Resilience can be achieved by not back-loading all your vehicles or, better still, by agreeing with other operators to help you out at short notice.

If back-loading is a relatively new addition to your operational activities, you may prefer to undertake a number of trials. If these are successful, you can consider further integration.

Measure spare vehicle capacity

The effective operation of commercial vehicles requires you to know what is going on, in order to identify opportunities for improvements and to be able to implement changes quickly.

As the owner or manager of a fleet, you are likely to have good understanding of your vehicle operations. However, measuring vehicle performance through key performance indicators (KPIs) will give you the practical information you need to determine if there is spare capacity and where it is. Table 3 overleaf lists a number of KPIs that will help to provide a clearer picture of vehicle and fleet efficiency.

TransportEnergy BestPractice has published the 'Small fleet performance management tool'. This is an easy-to-use spreadsheet with an accompanying guide for small to medium-sized fleet operators. It uses KPIs developed by a working group of industry representatives that are based on tried and tested measures already used within the freight industry. The spreadsheet produces weekly, monthly and annual reports for the whole fleet or individual vehicles, making it much easier for you to make informed decisions on how to improve your operations. To obtain your free copy, call the helpline on **0845 602 1425** or visit **www.freightbestpractice.org.uk**

Table 3 KPIs for determining spare vehicle capacity

Total miles run ('000s)	Total number of miles run by your fleet
Total empty miles run ('000s)	Total number of miles run by your fleet without a payload
Percentage empty running total	Percentage of distance run by your fleet without a payload
Average vehicle fill	This calculates the percentage of actual load carried against the potential capacity of the vehicle fleet
Average time utilisation	This calculates the percentage of time that the vehicle fleet was actually in use against the potential time available

In addition, you will also need to be sure that a suitable vehicle is available, and that you have a driver who has enough time to carry out the back-load.

Integration into your operations

It is important to integrate back-loading into your day-to-day operations and to be able to respond quickly when the opportunity of a back-load occurs. Equally, it is important to have thought through any problems that might occur and to have planned what action to take. Good channels of communication within the fleet, as well as with other internal staff, suppliers and customers, can help to make sure that your business can react to any opportunities or problems quickly and effectively.

Communicating with the fleet

Sound communication is essential for successful and flexible transport operations. Flexibility allows fleets to deal with capacity constraints and to integrate back-loading. Effective communication can:

- provide an understanding of the day-to-day activities of the fleet
- provide real time information, allowing managers to see whether deliveries occur as planned
- locate and monitor vehicles, drivers and loads
- match available loads with available drivers and vehicles
- help to overcome delays and problems
- discover problems early
- find alternative solutions, such as routing around congestion

A number of products and tools are available for improving communication within a fleet. These include both telematics and computer vehicle routing and scheduling (CVRS) systems. For more information and advice on these topics, see TransportEnergy BestPractice's 'Telematics guide' and 'Computerised vehicle routing and scheduling for efficient logistics'[10].

Even though the main constraints on back-loading tend to be organisational and financial issues rather than technical ones, the use of telematic systems such as vehicle tracking is likely to:

- reinforce the benefits of back-loading
- mitigate the effects of traffic congestion and restrictions on driver time

Communicating with business partners

Developing sound communication channels with your business partners and other internal departments (e.g. purchasing) will help you to create better working relationships that will deliver positive results. Effective communication can aid mutual understanding of problems, which should lead to effective implementation and fewer disagreements.

For any partnership, good communication will improve competitive collaboration through better understanding and trust.

Operational checklist

Make sure you have considered the questions below (see Table 4) before accepting a back-load. This will help you to decide whether back-loads are viable for your operation.

Table 4 Operational checklist

Improving your KPIs:
- ☐ Is your fleet maximising its potential?

Available vehicles and drivers:
- ☐ Will there be vehicles/drivers in the correct location available to pick up the back-load?
- ☐ What other work do they have planned and where?
- ☐ When and where is the next outbound delivery for the vehicle/driver?
- ☐ How much time will collecting the back-load add to the journey?
- ☐ Is the vehicle appropriate for the load?
- ☐ Is the load of a dangerous or hazardous nature?
- ☐ Does the driver need any specialist training?

If the vehicle does not make it back in time for a planned outbound delivery:
- ☐ What are the potential consequences to the planned operation?
- ☐ Could another vehicle/driver deliver that load?
- ☐ Can the order be delayed?
- ☐ Can the back-load be left?

Communication to overcome problems and delays:
- ☐ Do you know where your vehicles/drivers are?
- ☐ Can you contact drivers to make the necessary changes?
- ☐ Can you explain to your customers that there may be a problem, and your solution?

[10] To obtain these free publications, call the helpline on **0845 602 1425** or visit **www.freightbestpractice.org.uk**

6.2 Cost effectiveness

You should consider back-loading only if it brings financial benefits for your business. To decide whether back-loading is profitable and worthwhile, you need to understand the associated costs. This section explains, with the help of a worked example, how to analyse your standing and running costs to determine whether picking up a back-load will improve your bottom line.

Even if it turns out that it does not make commercial sense for your operation to undertake a back-load, the information you obtain during the analysis will provide you with a valuable insight into how to improve the cost effectiveness of your operation.

Calculate the value of a back-load

Average cost per unit delivered is a KPI that helps to measure the efficiency of your operation. It tells you how much it costs to deliver a given load unit. This unit should be based on your businesses activities and could be tonnes, pallets or even roll cages.

What data do you need to collect to determine if a back-load is financially viable? You need information about the following:

- the back-load
- deviation from the operational schedule
- standing costs
- running costs

These are examined below using a worked example from a fictitious company.

The back-load

You need information about two main components of a potential back-load:

- **back-load units** - the number and type of units to be carried as part of the back-load
- **revenue from the back-load** - the back-load rate that the shipper will pay for the delivery

Revenue per unit delivered is determined by dividing the revenue by the number of back-load units, see Table 5 below for a worked example.

Table 5 Worked example: back-load data

Back-load units	20 pallets
Revenue from the back-load	£200
Revenue per unit delivered	£10

Deviation from the operational schedule

A back-load can affect a transport operation in two main ways. You therefore need to identify the following:

- **Additional time** - the time added to the outbound delivery because of the back-load. It may include deviation from the return route in order to collect and/or deliver the back-load
- **Additional distance** - the extra distance travelled by the vehicle in order to make the back-load (see Table 6 overleaf for a worked example)

Table 6 Worked example: deviation from operational schedule

Additional time **(A)**	3.5 hours
Additional distance	70 miles

Standing costs

The following list gives a number of important standing (or fixed) costs for which you need to obtain data. These may be broken down annually, monthly, weekly or even hourly (e.g. driver costs). Your operation may have other standing costs, but they will generally include:

- insurance
- 'O' licence
- vehicle rental/lease or depreciation
- vehicle excise duty
- driver costs

A worked example for standing costs is given in Table 7. This table below takes annual costs and converts them into hourly costs. The standing cost per back-load **(E)** is the proportion of your standing costs associated with the time taken to carry out the proposed back-load. To determine the standing cost per back-load, you need to calculate the average operational hourly cost **(D)** for each standing cost. This allows you to calculate a total for the back-load.

For each type of vehicle-associated cost (insurance, licences, rental, etc), obtain the average operational hourly cost **(D)** by dividing the total annual cost **(C)** by the average annual number of vehicle hours **(B)**.

For driver costs, obtain the average annual driver costs by adding all your driver costs (wages, National Insurance payments, pension contributions) and dividing by the total number of drivers.

For each standing cost multiply the average operational hourly cost **(D)** by the additional time required for the proposed back-load **(A)** to give the standing cost per back-load **(E)**.

Add up the individual standing costs per back-load to give a total value.

Divide this total by the number of back-load units to give the 'standing cost per unit of delivery'.

Running costs

The two main running costs you need to include in your calculation are:

- fuel cost per mile
- maintenance cost per mile

To calculate your maintenance costs per mile, you will need to record the total cost annually per vehicle for all your planned and unplanned maintenance costs. Planned maintenance costs might include, for example, costs for servicing, tyres, wiper blades, bulbs, top-up oil and other consumables. Unplanned maintenance costs include, for example, the cost of breakdown repairs. Once you have the total annual maintenance cost for your vehicle, divide that figure by the vehicle's average annual mileage to find the maintenance cost per mile.

Use these figures to calculate the **running cost per back-load**, i.e. the cost of the additional miles that would be driven to make the back-load. The **running cost per unit of delivery** is determined by dividing the total running cost per back-load by the number of units in the back-load (see Table 8 for a worked example).

Table 8 Worked example: running costs

Additional distance required for back-load		70 miles
	Cost per mile	**Running cost per back-load**
Fuel	£0.40	£28.00
Maintenance	£0.16	£11.20
Total	**£0.56**	**£39.20**
Number of back-load units		20
Running cost per unit of delivery		**£1.96**

Table 7 Worked example: standing costs

Additional time required **(A)**	3.5 hours	Average annual vehicle hours* **(B)**	2,080
Standing costs	**Annual cost**	**Average operational hourly cost**	**Standing cost per back-load**
Vehicle costs	**C**	**C/B = D**	**D × A = E**
Insurance	£2,200	£1.06	£3.70
'O' licence	£60	£0.03	£0.10
Vehicle rental/lease or depreciation	£10,500	£5.05	£17.67
Vehicle excise duty	£1,500	£0.72	£2.52
Driver costs	£19,926	£9.58	£33.53
Total	**£34,186**	**£16.44**	**£57.52**
Number of back-load units			20
Standing cost per unit of delivery			**£2.88**

* Based on average 40 hours/week.

Is the back-load financially viable?

Knowing the standing cost per back-load and the running cost per back-load, you can calculate the total cost to your operation of undertaking the proposed back-load. A simple comparison will tell you whether the revenue will cover this cost and provide a worthwhile profit. As well as determining the total profit from carrying the back-load, you can also calculate the profitability per unit of delivery (see Tables 9 and 10 worked examples).

Table 9 Worked example: determining the financial viability of the back-load

Standing cost per back-load	£57.52
Running cost per back-load	£39.20
Total cost of the back-load	£96.72
Revenue from the back-load	£200
Profit from carrying the back-load*	**£103.28**

*For this example the fixed costs of premises and utility bills have not been included.

Table 10 Worked example: determining the profitability per unit of delivery

Standing cost per unit of delivery	£2.88
Running cost per unit of delivery	£1.96
Total cost per unit of delivery	£4.84
Revenue per unit of delivery	£10.00
Profitability per unit of delivery	**£5.16**

Cost per unit

Average cost per unit delivered is a vital KPI in determining the cost-effectiveness of your transport operations. You should aim to reduce this figure as much as possible - a high figure indicates expensive transport costs and potential inefficiencies.

This KPI is also an important tool when assessing the effect of changes in other KPIs. For example, achieving a higher vehicle mileage with a lower payload may well improve (increase) your average miles per gallon, but this is not usually an efficient way to run a vehicle. Average cost per unit delivered shows the effect on the bottom line in terms of cost and efficiency.

Analysis of the other KPIs in Table 11 should help you to identify potential savings in your fleet. Improvements in these other KPIs (e.g. increasing average vehicle fill or reducing running costs) should help to drive down the average cost of delivering goods.

TransportEnergy's 'Small fleet performance management tool' provides more detailed help and assistance on calculating and analysing KPIs, including average cost per unit delivered. To obtain your free copy, call the helpline on **0845 602 1425** or visit **www.freightbestpractice.org.uk**

Table 11 KPIs for measuring the cost-effectiveness of your operation

Average cost per unit delivered (£)	Cost of a pallet or tonne (or other unit) of goods moved.
Total whole vehicle cost (pence per mile)	Made up of running, standing and driver costs.
Average running cost (pence per mile)	These are the costs incurred for running the vehicles (fuel, tyres and maintenance).
Average standing cost (pence per mile)	Standing costs are those incurred whether or not the vehicle is running - depreciation of the vehicle, road fund licence (vehicle excise duty), operator licence fees and insurance.
Average driver cost (pence per mile)	Average cost of drivers' wages per mile.
Total maintenance cost (pence per mile)	Total cost of maintaining the fleet per mile.
Total maintenance cost (£'000)	Total cost of maintaining the fleet.

6.3 Your customers

Highlighting and sharing the benefits of back-loading with customers and other parts of your business should make them more willing to facilitate the necessary changes.

Manage and monitor customer satisfaction

Should you decide to undertake back-loading, how do you know it will not have a negative impact on your existing customers? Recording and measuring customer satisfaction levels before and after starting to take back-loads is a useful way of monitoring how it is affecting your business.

Future changes

Managing customer expectations is often essential if you are to implement a new working practice such as back-loading. You must consider whether your existing customers would have any perceived or actual problems. If this is the case, take the opportunity to explain how it might affect them, how they can benefit and your mitigation strategy if there are any problems.

There are a number of useful KPIs for monitoring customer satisfaction (see Table 12 below). The 'Small fleet performance management tool' will help you to determine these and other KPIs.

Table 12 KPIs for measuring customer satisfaction

Percentage of late deliveries (total)	Percentage of late deliveries made by your fleet.
Percentage of damages (total)	Percentage of deliveries made by your fleet where the goods were either missing or damaged.
Percentage of complaints (total)	Percentage of deliveries made by your fleet that resulted in a complaint of any nature.

6.4 Contractual arrangements

Do not overlook contractual arrangements when picking up a back-load. It could mean the difference between getting paid or not! It is a very good idea to obtain a credit check on the company that will be paying for the delivery. Some back-loading services offer this facility. The following checklist (see Table 13) provides an overview of some of the issues you need to consider before entering into any form of contractual arrangements.

Table 13 Contracts checklist for back-loading

Ensure you are dealing with a reputable company

- ☐ If possible, talk to other users, clients and freight operators
- ☐ Obtain credit checks if you are not sure of credit worthiness

Ensure you have a proper contract

- ☐ Don't rely on someone's word
- ☐ Ensure that you have it in writing
- ☐ Back-load services may provide contract arrangement electronically or via fax

Ensure that you check the contract carefully

- ☐ What are you committing yourself to?
- ☐ What are the arrangements?
- ☐ What are your responsibilities and who are the shippers?
- ☐ You need to understand what happens if things go wrong

Ensure you have the right type of operator's licence

- ☐ Own account operators only require restricted operator licences
- ☐ Hire and reward operators must have a standard licence
- ☐ Own account operators need to obtain a standard licence to carry other people's loads

6.5 Back-loading checklist

The checklist below (see Table 14) summarises the main questions you should ask when contemplating back-loading. Can you answer 'yes' to all the questions? If so, it is likely that back-loading is a viable option for you. If not, can you resolve the problem without excessive expenditure? If not, it may be that back-loading is not suited to your circumstances and you need to consider other ways of reducing your costs by increasing vehicle utilisation.

Table 14 Summary back-loading checklist

	Yes/No
Planning and communication	
☐ Is there spare vehicle capacity	
☐ Does a driver have time?	
☐ Is a vehicle available?	
☐ If the back-load was delayed could your operation absorb or deal with this?	
Cost-effectiveness	
☐ Do you have all the required load information?	
☐ Do you know your total cost per unit?	
☐ Is it financially viable?	
Your customers	
☐ Will your customers be happy if you collect the back-load?	
☐ Can you monitor and measure changes in customer satisfaction?	
Contractual arrangements	
☐ Is the company trustworthy?	
☐ Is there a contract?	
☐ Is someone responsible for ensuring the smooth undertaking of the back-load?	
☐ Do you have the correct licence?	

If you decide that back-loading is a viable option for your business, you will start to reap many operational and commercial benefits, including:

- improved operational efficiency due to higher vehicle and driver utilisation
- cost savings through reduced fuel and other operating costs
- increased revenue on existing routes from additional work
- increased fleet capacity (vehicles are available for more jobs), or a reduction in fleet size
- access to a wider customer base and future haulage work
- environmental benefits through reduced carbon dioxide emissions and road congestion
- better use of information and greater collaboration between operators and suppliers
- increased competitiveness and long term viability of your business
- more profit

7 Further information

Example services and systems

This list is not exhaustive and has been compiled from information currently available to the TransportEnergy BestPractice programme. The listing of an organisation does not constitute an endorsement by TransportEnergy BestPractice of its products, services or competence and neither does the omission of an organisation discriminate against its products, services or competence.

TransportEnergy BestPractice is not responsible for the contents or reliability of the websites named below. It cannot guarantee that these websites will work all the time and has no control over their availability.

Load matching services

Livestock only

Backload UK
Tel: 0800 085 2092 (hauliers); 0800 085 1554 (farmers)
E-mail: info@backloaduk.co.uk
Web: www.backloaduk.co.uk
Matches hauliers and livestock loads from farms nationwide.

Online freight exchanges

Teleroute UK
Tel: 0870 774 9922
E-mail: info@teleroute.co.uk
Web: www.teleroute.co.uk
Provides load matching services for closed or open user groups. Contractual arrangements are made over the telephone and by fax.

FreeCargo
Web: www.freecargo.co.uk
Online database of available freight and empty equipment specially designed for shippers, brokers, hauliers and truckers.

Road Tech Computer Systems Ltd
Tel: 01923 461111
Web: www.roadrunner.uk.com
Offers an online load centre through its Roadrunner Transport Exchange. Professional hauliers use the system to exchange load and vehicle information.

Transport Association
Web: www.trans-assoc.org.uk
The traffic information service is only available between members to find and post loads. All contractual arrangements are made externally between the two parties.

Loadup
Tel: 01942 810848
E-mail: admin@loadup.co.uk
Web: www.loadup.co.uk
Enables hauliers, carriers, removal experts, etc. to contact potential customers directly. Members are provided with information and contact details for the loads.

returnload.com
E-mail: info@returnload.com
Web: www.returnload.com
Service available to all shippers and carriers. When a match is found, contact details are received by e-mail.

Layover's Load Finder
Web: www.layover.truckstop.com
Service offers flexible real-time searching for all shippers and carriers. Loads and trucks can be posted by e-mail, File Transfer Protocol, fax or telephone.

Auction-based trade exchanges

Freight Traders Limited
Tel: 01664 415727
E-mail: ft-contact@freight-traders.com
Web: www.freight-traders.com
Procurement service provider that specialises in the design and management of freight tenders.

eLogistics (GB) Limited
Tel: 020 8387 1278
Web: www.elogistics.com
Logistics service provider for manufacturers, retailers and transport companies. Shippers and carriers have to register for membership of eLogistics' freight marketplace.

Freight forwarders associations

British International Freight Association (BIFA)
Tel: 020 8844 2266
E-mail: bifa@bifa.org
Web: www.bifa.org

International Federation of Freight Forwarders Associations (FIATA)
Tel: +41(0)43 211 65 00*
E-mail: info@fiata.com
Web: www.fiata.com
*This is the Swiss secretariat number

Pallet networks

Pall-Ex
Tel: 01530 23 9000
E-mail: info@pallex.co.uk
Web: www.pallex.co.uk

Palletline
Tel: 0800 716316
E-mail: info@palletline.com
Web: www.palletline.co.uk

The Pallet Network
Tel: 0870 600 3001
E-mail: mail@tpnmail.co.uk
Web: www.thepalletnetworkltd.co.uk

PalletFORCE Plc
Tel: 01543 444441
E-mail: info@palletforce.com
Web: www.palletforce.com

Pallet Track
Tel: 0121 5020555
E-mail: admin@pallet-track.com
Web: www.pallet-track.co.uk

Pallet ways (UK) Limited
Tel: 01543 418000
E-mail: sales@palletways.com
Web: www.palletways.com

Fortec Pallet
Tel: 01788 861137
E-mail: custserv@fortecpallet.com
Web: www.fortecpallet.com

United Pallet Network (UK) Ltd
Tel: 0870 241 3482
E-mail: info@u-p-n.co.uk
Web: www.unitedpallet.co.uk

Free freight publications

The TransportEnergy BestPractice programme offers a range of other free freight publications designed to help you improve your fleet's operational efficiency. Contact us for further information.

Website	**www.freightbestpractice.org.uk**
Helpline	**0845 602 1425**
E-mail	**info@freightbestpractice.org.uk**

Making the swap to demountables - this leaflet provides a guide to demountable systems, outlines the main options available and how these can improve efficiency in key operations.

Safe driving tips - this pocket-sized guide outlines best practice to reduce injury and accidents on the road. It is aimed at drivers of goods vehicles, employers and self-employed drivers.

Small fleet performance management tool - Excel-based tool to help small to medium-sized fleet operators improve their operational efficiency through the management of key performance indicators (KPIs). Consists of a CD and accompanying manual.

Fuel saving tips - includes top tips on how to save fuel and money, in a handy pocket-sized guide. It is aimed in particular at small-fleet operators and owner drivers.

Truck specification for best operational efficiency - provides a step-by-step review of the stages involved in the decision-making process in specifying a new truck.

Computerised vehicle routing and scheduling for efficient logistics - two guides (full and pocket-sized) introduce CVRS and provide an overview of the systems and capabilities available.

More publications are available, visit the website for details.

Help us to help you

Make back-loading work for you

We would welcome your comments or suggestions on this guide. Please photocopy this page, fill it in and return to: TransportEnergy BestPractice - Freight, c/o Faber Maunsell, 73 Sankey Street, Warrington, Cheshire WA1 1SL or fax to 01925 582799.

1. Did you find the guide easy to read and understand? Yes ☐ No ☐

   Which sections did you find particularly useful and why?

   .....

   Which sections do you think could be improved to make the guide easier to read and understand?

   .....

2. Did you find the information useful and relevant? Yes ☐ No ☐

   Which sections did you find particularly useful?

   .....

3. Are you implementing or planning to implement any changes as a result of this guide, for example, introducing back-loading to your business activities? Yes ☐ No ☐

   If yes, please explain which measures you are implementing or you plan to implement:

   .....

4. Please use this space for any other comments or suggestions you may have about this guide and how it might be further improved to help your business:

   .....

   .....

   .....

Your details:

Name ..... Position .....

Organisation ..... Number of vehicles in fleet .....

Address .....

.....

..... Postcode .....

Tel ..... Fax .....

E-mail .....

Data Protection

The Energy Saving Trust (EST) will process your personal details for the purpose of supplying you with independent information and advice relating to the implementation of sustainable transport as requested.

EST may also wish to send you further relevant information and advice via e-mail or post. If you do not wish to receive this material, please tick here: ☐

To find out more about TransportEnergy BestPractice call our helpline on **0845 602 1425**.
Alternatively, visit our website at **www.freightbestpractice.org.uk**

TransportEnergy BestPractice provides authoritative, independent information and advice to help implement sustainable transport initiatives.
The information is disseminated through publications, videos and software, together with seminars, workshops and other events.

Energy Saving Trust